



PUBLIC NOTICE

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DA No. 03-3360
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ACTIONS TAKEN UNDER CABLE LANDING LICENSE ACT

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Policy Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 *reprinted as amended in* 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following application ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261, and are effective upon release of this public notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

The Commission most recently amended its rules applicable to submarine cable landing licenses in *Review of Commission Consideration of Applications under the Cable Landing License Act*, IB Docket No. 00-106, FCC 01-332 (rel. Dec. 14, 2001), 67 Fed. Reg. 1615 (Jan. 14, 2002). An updated version of sections 1.767 and 1.768 of the rules is available at <http://www.fcc.gov/ib/pd/pf/telecomrules.html>. See also http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-02-598A1.pdf for a March 13, 2002 Public Notice; http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-01-332A1.pdf for the December 14, 2001 Report and Order.

SCL-T/C-20030904-00025

WilTel Communications, LLC (Licensee)
WilTel Communications Group, Inc. (Transferor)
Leucadia National Corporation (Transferee)

TRANSFER OF CONTROL

Action Taken: Grant of authority to transfer control of minority interests in the cable landing licenses for the Japan-U.S. Cable Network (SCL-LIC-19981117-00025) and the China-U.S. Cable Network (SCL-LIC-19980309-00005) held by WilTel Communications, LLC (formerly, Williams Communications, LLC), from the shareholders of Wiltel Communications Group, Inc. to Leucadia National Corporation.

Conditions and Requirements: See *AT&T Corp. et al*, Japan-U.S. Cable Landing License, File No. SCL-LIC-19981117-00025, 14 FCC Rcd 13,066 (1999); China-U.S. Cable Landing License, File No. SCL-LIC-19980309-00005, 13 FCC Rcd 16,232 (Int'l Bur. 1998). Licensees shall comply with the requirements of Section 1.768 (notifications and prior approval for submarine cable landing licensees that are or propose to become affiliated with a foreign carrier), 47 C.F.R. § 1.768.

Licensee Information:

WilTel Communications, LLC ("WCL") (formerly, Williams Communications, LLC), a Delaware limited liability company, is a joint licensee of the Japan-U.S. Cable Network and the China-U.S. Cable Network. WCL holds an investment share and voting interest of approximately 3.5 percent in the Japan-U.S. Cable Network. In the China-U.S. Cable Network, WCL holds an investment share of approximately 5.41 percent and a voting interest of approximately 6.67 percent. WCL is a wholly-owned subsidiary of WilTel Communications Group, Inc. ("WilTel"), a publicly-traded corporation organized under the laws of Nevada.

Leucadia National Corporation ("Leucadia") is a New York corporation that currently owns approximately 47.4 percent of WilTel; the remaining 52.6 percent is widely held among public shareholders. WilTel and Leucadia have entered into an agreement that contemplates the initiation and consummation of an exchange offer through which Leucadia will, if successful, acquire up to 100 percent of WilTel's stock ("Offer"). WilTel will still hold all of the stock of WCL.

Applicants state that, as of August 25, 2003, Ian M. Cumming, a U.S. citizen and Chairman of the Board of Leucadia, beneficially owned approximately 15.3% of the outstanding shares of Leucadia; Joseph S. Steinberg, a U.S. citizen and President of Leucadia, beneficially owned approximately 16.8 percent of the outstanding shares of Leucadia.¹ According to the Application, Messrs. Cumming and Steinberg have an oral agreement pursuant to which they will consult with each other as to the election of a mutually acceptable Board of Directors of Leucadia.

After consummation of the proposed transaction, WCL will continue to be affiliated with non-dominant foreign carriers in Japan, the United Kingdom, Canada, and Hong Kong.

Interlocking Directorates: Leucadia National Corporation states that it has no interlocking directorates with a foreign carrier.

¹ Applicants state that the Offer will dilute the ownership levels of Messrs. Cumming and Steinberg because shares of Leucadia will be exchanged for shares of WilTel as part of the Offer. No other owner of Leucadia's stock will directly or indirectly own ten percent or more of WilTel's or WCL's stock. As part of the Offer, Leucadia may have a wholly-owned subsidiary, Wrangler Acquisition Corp. ("Wrangler"), temporarily hold its shares of WilTel, pending the merger of Wrangler into WilTel. The temporary role of Wrangler will be determined by the number of public shareholders of WilTel that subscribe to the Offer.

Regulatory Status of Cable: The Japan-U.S. Cable System operates on a non-common carrier basis. *See* File No. SCL-LIC-19981117-00025 (14 FCC Rcd 13,066). The China-U.S. Cable System operates on a non-common carrier basis. *See* File No. SCL-LIC-19980309-00005 (13 FCC Rcd 16,232)

Cable Design and Capacity: *See* File Nos. SCL-LIC-19981117-00025 (14 FCC Rcd 13,066). SCL-LIC-19980309-00005 (13 FCC Rcd 16,232).